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2/6/55

Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Finance Division

FROM : Chief, Monetary Branch

SUBJECT: General Clark Survey

DATE: 21 January 1955

1. Colonel Lane spoke with the undersigned on Wednesday, January 19, from 1430 until 1700 and on Thursday, January 20, from 0915 until 1200 and from 1300 until 1530.

2. The undersigned explained to Col. Lane the Organization by sections of the Monetary Branch including the Disbursing Office and the major functions of each of these sections. In addition, the Agent Cashiers' activities were discussed in detail, including those aspects which dealt with the appointment, advance limitations, withdrawal of funds from the Treasury, the reporting of expenditures, and the reconciliation of Agent Cashier bank statements and cancelled checks. Furthermore, Col. Lane was informed of the way in which the Monetary Branch prepares and submits an estimate of agent cashier funds required to be made available prior to ~~with~~ actual withdrawal from the Treasury. Col. Lane was particularly interested in learning of the responsibilities of the Agent Cashiers with respect to the payment of approved and certified vouchers and documents. In this respect, he wished to know if we had the authority to refuse to make a payment on a voucher after it had been approved and certified for payment. He was informed that the signature of a certifying officer usually was accepted and not questioned, however, it was entirely possible that through one means or another, the Monetary Branch could be in possession of certain information relative to a project or an operational activity which would cause us to question the ~~properity~~ of a payment. In these instances, the Monetary Branch would discuss the questionable item with the certifying officer concerned with view to clearing up the point in question or rejecting the payment. In addition, Col. Lane was informed that each Agent Cashier was under a responsibility to the Director and to the Chief Disbursing Officer of the Treasury for making payments within the limitations of the Agency's ~~relationships~~ and Federal Laws pertaining to the utilization of Government funds.

3. Col. Lane spoke for sometime about those projects having to do with preclusive buying, particularly those which concerned ~~████████~~. The opinion he expressed was not ~~████████~~ necessarily critical of this Agency but was critically directed toward ~~████████~~ and GSA, whom he felt had used this Agency as a "cat's paw" to carry out "fools' dreams" of the outside Agencies and Departments. Col. Lane expressed himself as being satisfied that from what he had seen to date in his survey, this Agency had appropriate and adequate controls in effect which should preclude a repetition

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of similar mismanaged activities in the future. He further stated that in his opinion there was a closely working relationship between the administrative side and the operational side of the Agency which apparently did not exist in the past.

4. The undersigned explained to Col. Lane the various control features practiced in the Monetary Branch which were intended to minimize the possibility of the misuse of Government funds. In this area, Col. Lane was particularly interested in learning that our inventory of funds on hand was as small as it is. He felt that we would probably have on hand at all times, funds in an amount from

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5. The undersigned has the impression that Col. Lane appeared well satisfied but every precaution was being taken to safeguard Government funds in our possession and that proper controls were being practiced to insure the ~~prompt~~ ^{prompt} of payments. Because of the time he devoted to talking about the preclusive buying activities, the undersigned received the impression that this seemed to give him more concern than anything else he had learned about during the course of his survey. Col. Lane was friendly and talkative and related a number of incidents wherein he was concerned during his many years as an Inspecting Officer in the Inspector General's service in the Army. Altogether the undersigned feels that Col. Lane was satisfied with what he found and that ~~no~~ ^{no} time would he express himself as being unduly concerned with any of our practices in this Branch.



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